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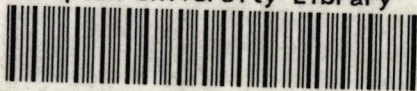
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Ministers of Finance in Western Europe: A Special Career?

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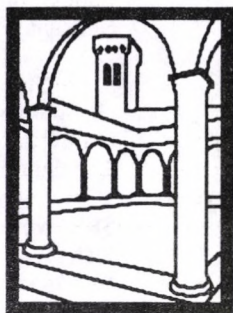
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Jean BLONDEL
Ministers of Finance in Western
Europe: A Special Career?

Ministers of Finance in Western Europe:

A Special Career?

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Ministers of finance occupy a special place in cabinet governments and indeed probably in every government. Their role is unique, as they alone have the opportunity to supervise the current activities and to shape the characteristics of the future activities of all the other ministers. They are indeed often regarded as somewhat above the ordinary ministers both by the public and by specialist observers. Yet the precise extent to which they are indeed 'above' other ministers has not been ascertained, in particular on a comparative basis: some finance ministers are obviously very influential, but the extent to which this influence is shared by all their counterparts needs to be assessed.

Such an investigation can be fully undertaken only by means of a systematic scrutiny of the role of ministers of finance in the cabinets to which they belonged - a task which is obviously vast and which will require time to be carried out

comprehensively, particularly since the influence of ministers of finance is likely to vary, both from country to country and from individual to individual. There are, however, indirect means by which at least a preliminary assessment can be attempted: one of these is provided by the examination of the careers of these ministers. The present paper constitutes an exploration of the extent to which such an examination of careers can help to discover patterns of influence among finance ministers.

Ministerial careers and patterns of influence

Two aspects of the careers of ministers of finance are likely to play a substantial part in determining the probable influence of these ministers over their cabinet colleagues. One is their occupational background; the other is their seniority. A third element, which relates to the structure of the government rather than to the career proper, but is associated to it, needs also to be taken into account: there are governments where more than one cabinet member is in charge of financial affairs, in particular where there is a minister of economics alongside the minister of finance; in such a case, the question of the overall and relative influence of the ministers concerned has to be considered.

Occupational background

The study of the background of ministers, and of finance ministers in particular, is naturally interesting in its own right: it is valuable to know from which occupational groups ministers are drawn in order to assess, for instance, how far governments are 'representative'; one can also discover how far ministers have the managerial and technical skills required to direct the nation. But the study of the occupational background is also valuable in that it can provide indications as to what the influence of ministers is likely to be: those who have specialised professional skills can be expected to have substantial authority vis-a-vis their colleagues as well as be on equal terms with the civil servants in their department.

In the case of most cabinet members, any authority arising from their professional knowledge will only affect marginally the life of their colleagues; in the case of finance ministers, on the contrary, the authority acquired in this way will mean a greater opportunity to give a general direction to the life of the government and to create a climate (of expansion or retrenchment) which will affect the behaviour of other ministers. Indeed, the professional authority may have an effect on the role of the prime minister who may feel obliged to support the finance minister without being necessarily convinced of the strength of the arguments. It is true, admittedly, that a professional

background may not always be accompanied by the political skills required to maintain the authority which this professional background may have given; but, in the first instance at least, some finance ministers whose background is in finance or economics are likely to be regarded by their colleagues as having to be listened to, especially if the economic and financial situation of the country is difficult. Only gradually will the need for political skills begin to arise: at that point, however, the matter of the seniority of the finance minister will also start to have an effect.

Seniority and influence

The effect of seniority on the influence of ministers of finance is rather complex. Three elements need to be taken into account, the time spent in the department, the time spent previously in the cabinet, and the time spent in the cabinet afterwards. Duration in the post and time spent in the cabinet before as head of the Treasury will tend to increase the influence of the holder of the post, at least to begin with. After a number of years, this influence is unlikely to increase, at least at the same rate. On the other hand, the time spent in the cabinet by ex-ministers of finance is likely to reduce the influence of the current holder of the post, though this is likely to depend on individuals. Some ex-ministers of finance may have a low prestige and be given 'consolation prizes', while others may be so

important that their successors find it difficult to exercise any autonomous power. By and large, however, ministers of finance are probably somewhat constrained by the suggestions and, even more, by the negative comments of their predecessors who still belong to the cabinet.

Ex-ministers of finance can hold a variety of positions. They can in particular hold the one which is the most important of all, that of prime minister (and, in the Finnish and French cases, of president of the Republic). In such a case, the minister of finance is likely to be subjected to particular pressure, although it is not in the interest of the prime minister (or president) to undermine the authority of the Treasury head and although, on the other hand, all prime ministers naturally take some part in decisions relating to finance. While differences can be expected among prime ministers, it is highly probable that a finance minister is somewhat more constrained when the head of the government was previously head of the Treasury.

One or more ministers of finance

The influence of the minister of finance will also be affected where there is more than one cabinet minister concerned with financial questions. This situation prevails in about half the Western European countries, either in the form of separate positions dealing for instance with the budget or as a result of

the existence of a special economics portfolio. There are substantial variations in the relative influence of the holders of these posts both from country to country and over time within each country. Three general points can be made, however. First, it is generally recognised that, where there is more than one minister in charge of financial affairs, one of them is regarded as senior and the others are, formally or simply in practice, hierarchically dependent on the 'top' minister. This is in particular the case in Britain and Italy where the Chancellor of the Exchequer and the Minister of the Treasury respectively are regarded as the senior ministers. Thus the authority of this senior minister may not be undermined by the existence of such a 'team'. It can even be reinforced, though this may not be the case if, as can occur in coalitions, the different ministers are from different parties.

Second, on the other hand, in countries where the cabinet includes continuously a minister of economics alongside the finance minister, there is probably some division of authority. One of the ministers may be truly senior, but there is no uniform pattern. A 'dual' arrangement of this kind has existed since World War II in six countries (Belgium, Denmark, Germany, Iceland, Luxembourg, the Netherlands). The effect is probably generally to decrease somewhat the role of each of these ministers, except in Germany, where the economics minister is regarded as the more senior of the two.

Third, portfolios of economics have also been created elsewhere from time to time. In Britain, for instance, the Labour party decided to set up a separate economics superminister in 1947 and in 1964. In neither case was the experiment encouraging. The post of economics minister was then discontinued. In France, economics ministers were appointed between 1976 and 1981 when the prime minister, R. Barre, also took over the finance post. These economics ministers were clearly less influential than the government head. In Sweden, economics ministers were also appointed in the early post World War II period and during the 'bourgeois' coalitions of the late 1970s and early 1980s. In all these cases, the experiment did not last long enough to warrant these ministers being included in this analysis.

The study which is conducted here is therefore based on the examination of the careers of one minister of finance only, except in those countries in which there has always been a separate minister of economics. In these cases, both minister have been considered. Fourteen countries are being examined. The period of analysis extends from 1945 to 1984, except for West Germany, where the analysis naturally begins with the setting up of the Federal Republic in 1949, and for France, where the study begins in 1958 with the advent of the Fifth Republic, as the pattern of ministerial turnover during the Fourth Republic was vastly different and is, by now, only of historical interest. Spain,

Portugal, Greece, and Malta are excluded on the ground that the period during which the regime was parliamentary was relatively short while Switzerland is not considered because the system is not parliamentary. 218 ministers are therefore being examined here, 165 of whom had been ministers of finance in the strict sense of the word (though not necessarily with this title). The remaining 53 ministers had been in charge of economics and not of finance in the six countries in which such posts existed continuously since the end of World War II (Table 1).

Four aspects of the career of these ministers are being considered in order to assess the possible impact of these careers on their influence. These are occupational background, duration in office, in particular at the head of the finance department, presence in the cabinet before and presence in the cabinet after having held a post in the Treasury. Findings relating to finance posts are compared and contrasted with those of all cabinet ministers, but, as numbers for each country are obviously small, conclusions have naturally to be somewhat tentative in many respects.

Occupational background

It is often believed that, in parliamentary systems, ministers tend to be 'amateurs' and to be drawn from parliament

because of their political skills rather than because of their managerial or technical background. This view has some validity, but a detailed examination of careers of cabinet members in Western Europe shows that there are also appreciable variations from this model. There is in reality a strong contrast between two types of cabinets, those which might be labelled truly parliamentary (in Belgium, Britain, Denmark, Ireland, and Italy), on the one hand, and those which are more 'managerial' (in Austria, Finland, Fifth Republic France, the Netherlands, and Norway) where many ministers come often directly from a position in the public sector or from private business and head departments where they can use the skills which they acquired in their previous job. This distinction is also associated with a tendency for ministers to be drawn almost exclusively (in the first case) and to a much lesser extent (in the second) from among members of parliament. Germany and Sweden constitute intermediate situations between these two groups, while it is more difficult to generalise about Iceland and Luxembourg, where many ministers hold multiple positions because of the small size of the cabinet.

The careers of ministers of finance reflect to an extent similar characteristics, but there is also a tendency towards a specialised background in several of the countries in which other ministers are usually 'amateurs'. Not surprisingly, the proportion of specialists is very high in Fifth Republic France, the

Netherlands, and Austria, while it is low in Ireland and, among ministers of finance stricto sensu, in Denmark. But it is higher than might have been expected in Belgium, Britain, and Italy, where almost half the ministers of finance were drawn from what might be regarded as groups of specialists. It is also high in Germany, where all the economics ministers and a large majority of the finance ministers were specialists. Conversely, with only half their finance ministers drawn from among specialist groups, Norway and Finland rank somewhat lower than might have been expected. Overall, ministers of finance in the fourteen countries examined here fall into three broad categories, those in which the proportion of specialists is very high (over three-quarters) (Austria, France, Germany, and the Netherlands), those where it is low (a quarter to a third) (Iceland, Ireland), and those in which it forms about half the total (the remaining eight countries) (Table 2).

The nature of the specialisation varies appreciably, however, as it can originate from three broad types of careers - the civil service, industry and banking, and teaching or research. In all the countries except Luxembourg and Norway, at least one or two ministers of finance were professors of economics or economists. But the bulk of the specialist careers are those which emerge from the civil service or from the private sector. Ministers of finance divide into three groups in terms of the

distribution between these careers. In Austria, France, Norway, Luxembourg (and to a more limited extent Ireland and Sweden), specialists are mostly drawn from the public sector. In Belgium, Britain, Germany, and Iceland, they are mainly issued from the private sector. In Finland, Italy, the Netherlands, they come almost equally from the two origins.

There is therefore a tendency for ministers of finance to have a more specialised background than other ministers. Although the ranking of the countries in terms of specialisation is not the same as it is for ministers in general, there are no countries in which the proportion of specialists is lower among finance and economics ministers than it is among ministers in general. If, as was suggested earlier, a specialist background is likely to give substantial authority to the heads of the Treasury vis-a-vis their colleagues at least at the beginning of their tenure, it seems permissible to conclude that, in most countries, ministers of finance are often likely to have this authority, even if it comes to be eroded after a period unless specialist skills are backed by other characteristics.

Duration in office

Ministers of finance need to be rather senior in order to be influential in the cabinet. One of the ways in which they can

acquire this seniority is by remaining in office for long periods, whether as ministers of finance or in other posts. There is indeed a tendency for this to occur in Western Europe, though there are variations in the extent to which the tenure of ministers of finance is longer than that of other ministers. In three countries, the duration in office of ministers of finance (including other posts which these might have had) is not markedly longer than that of their colleagues: these are Germany, the Netherlands, and Sweden; as a matter of fact, this duration is even shorter in one country, Austria. In Belgium, Finland, Iceland, Ireland, Luxembourg, and Norway, the duration in office of finance ministers is about fifty percent longer than that of other ministers. Finally, in Britain, Denmark, Fifth Republic France, and Italy, ministers of finance stay in office about two thirds longer than other ministers (Diagram 1).

There seems to be some tendency for ministers of finance to stay in office longer where the average duration of all ministers is relatively low: this is true of Italy, France, or Denmark; conversely, in Austria, Germany, or Sweden, the average duration of ministers of finance is not markedly longer than that of all ministers. But the trend is not universal: the duration of both ministers of finance and of other ministers in office is short in the Netherlands, for instance.

While the overall duration in office of ministers who came to be, for a period of at least, ministers of finance is longer than that of other ministers, it does not follow that all ministers of finance, or even the majority, are heads of the Treasury for long periods. Some are, but others remain in that post for very few years. Five Irish cabinet ministers who have been heads of the Treasury during their career have been in office for between 14 and 19 years: yet only one of these was minister of finance for a long period (nine years), while the other four were in that job for between one and four years only. Overall, nearly half the Western European ministers of finance and of economics remained in a Treasury post for two years or less and as many as a quarter for a year or less. Such a state of affairs does not suggest, to say the least, that all the ministers of finance are likely to have been very influential, even if some of these short-term Treasury heads were drawn from one of the specialist groups which we just examined. A few may have wielded considerable influence, but the large majority of this group were probably regarded as mere 'holders' of the position and therefore unlikely to be able to impose on their colleagues a firm policy direction (Table 3).

There are naturally country variations in the distribution of these short-term ministers of finance. In seven countries, the proportion is about average, with about half the

ministers having held the post for two years or less. In five countries, the proportion of short-term ministers of finance is lower, these being Germany (where no minister of economics remained in office for such a short period), Austria, Iceland, Luxembourg, and Norway. On the other hand, the proportion of short-term ministers of finance is appreciably higher in two countries, Italy and Finland. In this last country, as many as 18 of the twenty-two ministers who ran the Treasury between 1945 and 1984 remained in office for two years or less, while in Italy the equivalent figures are 13 out of seventeen. Thus, on the basis of this indicator at least, it seems unlikely that Finnish or Italian finance ministers should have had a very large influence, given moreover that neither country had a more than average proportion of specialists among these ministers.

Short-term ministers may be numerous, but, as they are short-term, they are in office in the aggregate for limited periods only. Also on the aggregate, the longer term ministers, those who can be expected to exercise substantial influence, can on the contrary occupy the post of head of the Treasury during a large proportion of the period of analysis, even if there are fewer of them. Indeed, as the minister becomes more senior, his influence is likely to increase somewhat as time passes, though probably at a declining rate. Yet, as it would be hazardous to attempt to give a quantitative measure of the expected growth of

such an influence over time, it is more prudent simply to consider as senior those ministers of finance or of economics who held the position for more than two years and to calculate the proportion of the period of analysis during which countries had ministers of finance who had reached this level of seniority. In six countries, Austria, Denmark, the French Fifth Republic, Ireland, the Netherlands, and Norway, this was achieved for about half the time. In three countries, Belgium, Britain, and Italy, ministers of finance with three years' seniority or more were in office only a third to two-fifths of the time, however, while in a fourth, Finland, there were finance ministers of this extent of seniority for 15 percent of the time only. At the other end of the scale, Germany, Iceland, Luxembourg, and Sweden were ruled by senior finance ministers for between two-thirds and three-quarters of the time. There are some differences between finance ministers stricto sensu and economics ministers, but they do not change the position of the country, except in the somewhat special cases of Iceland and Luxembourg where many ministers hold more than one portfolio and classifications of positions are therefore somewhat arbitrary.

Thus, if one considers the extent to which cabinets are likely to have a finance minister with at least some experience in the job, Belgium, Britain, and Italy score rather low and Finland lowest of all. Sweden and Germany, on the contrary, score very

high. This is reflected in the fact that the absolute number of finance ministers is small in both countries. Indeed, Sweden would score even higher, were it not for the fact that the first Treasury head of the period left office in 1948 and thus appears to have been in office four years only while, in reality, he had occupied the post since 1932, and that some degree of 'instability' occurred between 1976 and 1982 when 'bourgeois' governments were in office. Meanwhile, for half the period which is analysed here, the ministry of finance was held in Sweden by one individual only, G. Straeng, for 21 years. This is the absolute record of longevity among Western European Treasury heads since World War II (together with P. Werner of Luxembourg), the next longest holder of a post in the field being the German economics minister, L. Ehrhard who held the position for fifteen years. Thus Sweden and, at some distance behind, Germany and Luxembourg are the countries in which ministers of finance with very long experience are most likely to be found.

Overall, in terms of duration in the post of minister of finance, Sweden and Finland occupy the two most extreme positions. Germany and Luxembourg are somewhat behind Sweden while Belgium, Britain, and Italy are somewhat above Finland. The rest of the countries occupy an intermediate position. It is interesting to note that in none of the countries at the bottom of the range were the ministers of finance mainly drawn from among specialists. This

seems to suggest that, in Finland in particular, but in Belgium, Britain, and Italy as well, ministers of finance are unlikely to be very influential. At least they appear likely to be appreciably more influential in Sweden and Germany.

Previous experience in office of ministers of finance

As all other ministers, ministers of finance may hold more than one post in the course of their career and they may have held at least some of these other posts before becoming finance ministers. Indeed, it is often believed that there is a cursus honorum and that the post of minister of finance, being among the most important which can be achieved in the cabinet, is likely to be obtained only after a minister has served in another position. Given that the proportion of one-post ministers is very large, at least in some countries, given also that, as we saw, ministers of finance did not remain in the cabinet, on average, longer than other ministers, one should perhaps not expect such a cursus honorum to be a widespread feature in Western European governments. But, where ministers of finance have had previous cabinet experience, they come to the Treasury with some seniority and this seniority should contribute to increasing their influence.

As a matter of fact, 123 or 57 percent of the 218 ministers who were heads of the Treasury since 1945 in the countries which are examined here had a post in the cabinet outside the finance or economics departments. This is a substantially higher proportion than obtains for all ministers, but, there are variations. In four countries (Austria, Finland, France, and Iceland), the proportion is about the same and it is even somewhat lower in Luxembourg than among all ministers. At the other extreme, in Britain, no minister of finance, in Italy only four out of seventeen and in Denmark only 6 out of nineteen were one-post cabinet ministers. Overall, in half the countries (Austria, Finland, France, Germany, Luxembourg, the Netherlands, and Norway) half the finance ministers or more (indeed as many as 9 out eleven in Austria) had only one post. For these finance ministers, it is therefore difficult to speak of a ministerial 'career' in the true sense of the word. Yet it remains the case that, overall, ministers of finance are more likely to move from post to post than other ministers. If, as seems at least prima facie valid, ministers who have held more than one post are likely to be more influential overall than ministers whose ministerial 'career' was in one department only, then, on this ground alone, those cabinet members who become ministers of finance can be regarded as a class as being more influential (Table 4).

Yet the seniority that those who become ministers of finance acquire by holding different posts is likely to have diverse effects on the influence which they will be able to exercise when they are ministers of finance. The influence which they will exercise in that job will be increased by tenure in other jobs only insofar as these other jobs were occupied before holding a post at the head of the Treasury; conversely, those ministers of finance whose first cabinet job was as head of the Treasury are likely to be less influential precisely because it is their first cabinet job. Underlying this situation is probably a different view about the nature of the post of minister of finance. Where the Treasury job is regarded as truly special, cabinet ministers are likely to come to that position only after having served in an 'apprenticeship' capacity, so to speak, in another cabinet post. Where this does not occur or rarely occurs, the view is likely to be that a position as head of the Treasury is not truly special.

In Western Europe, it seems that the post of finance minister is often not regarded as special in this manner. There are first all those ministers of finance who have one cabinet position only ever. There is also a further and substantial number who held other cabinet positions after having been at the head of the Treasury. Out of the 218 ministers being analysed here, 95 had only one job and a further 57 started their cabinet career by

being in the Treasury. Thus 152 ministers, or slightly over two-thirds of the total, had no previous cabinet experience before being finance ministers. Admittedly, this figure is a little inflated, in part because the early period of the analysis coincides with a reconstruction of the political system in a majority of the countries studied (Austria, Germany, Italy, as well as the Benelux countries, Denmark, Norway, and Fifth Republic France). The figure is also inflated because in a number of countries a party came to power after having been in opposition for so long that none or very few of its leading members could have had cabinet experience (Britain in 1964, Sweden in 1976, France in 1981 are among the clearest cases). Yet, even if allowance is made for these situations, about half the ministers of finance would none the less have come to office without previous cabinet experience. Thus it is not the case that, in general, ministers of finance have to follow a prolonged apprenticeship in the cabinet before becoming heads of the Treasury. There is no universal rule suggesting that the Treasury should be reached by cabinet ministers only after they had first been in other positions.

Although the rule is not universal, it does seem to apply to a minority of cabinets. On the one hand, in eight countries, as many as three-quarters of the ministers of finance had never been members of the cabinet. Specifically, only one minister of

finance came to office after having another cabinet post in Austria, and only two in Germany, the Netherlands, Norway, and Finland. But in Belgium, Denmark, Ireland, Italy, and Sweden, between one-third and three-fifths of the finance or economics ministers had had a post in the cabinet before, while, in Britain, only J. Callaghan became Chancellor of the Exchequer without having had any previous cabinet experience. Indeed, even this single case can be regarded as accidental, as the sudden elevation of this minister to the Treasury was due to the dearth of politicians with cabinet experience on the Labour benches after the party had been thirteen years in opposition between 1951 and 1964 (Table 5).

Such marked variations no doubt reflect differences in the view which different governments have about the status and character of the position of finance minister. While, as we saw, British Chancellors of the Exchequer, as well as their counterparts in Ireland and Italy, remain in these posts for a relatively short period, the office of minister of finance is manifestly regarded as intrinsically important and is consequently almost never awarded immediately. To a lesser extent, this view appears to be held in Sweden and Denmark. In other Western European countries, on the other hand, whatever view may be held about the importance of the post, it is not felt necessary for

ministers to prepare themselves for the job by means of another cabinet position.

As a result, in some countries, finance ministers are likely to be experienced cabinet ministers when they come to lead the Treasury. They are consequently more likely to be able to exercise influence over their colleagues from the moment they take their Treasury job than in countries where they are new to the cabinet. They may, as a result, be able to play a leading part, even if they remain at the head of the Treasury for relatively short periods. This suggests that the ranking of the potential influence of Treasury heads based on duration in the post itself should be appreciably modified, in particular with respect to Britain, Ireland, and Italy, as well as, though to a lesser extent, with respect to Denmark and Sweden. If, as we did previously for positions at the head of the Treasury, we regard any minister who has been more than two years in the cabinet as having reached the level of seniority required to be able to exercise significant influence (although, as was pointed out for ministers of finance, this influence is likely to continue to increase somewhat afterwards, in most cases at least), ministers of finance can be regarded as having had the opportunity to be influential in Britain and Ireland (and indeed in Luxembourg as well) for as long as in Sweden and for a longer period than in Germany. Such a conclusion is naturally tentative, as positions

held in the cabinet before becoming head of the Treasury may not provide ministers with the same amount of influence as a position in the Treasury. Moreover, the job of minister of finance has to be learnt and, for a time at least, the head of the Treasury is likely to be 'on trial' and his ability to adapt to the office is likely to be tested. Yet the existence of a cursus honorum in Britain, Ireland, and Italy, as well as to a lesser extent in Denmark and Sweden has almost certainly the effect of enhancing appreciably the influence of incoming finance ministers in these countries.

The presence or absence of ex-ministers of finance in the cabinet

While some ministers of finance begin their cabinet career in other posts, some remain in or return to the cabinet after having left the Treasury. These, too, are a minority of the finance ministers of about the same size as is the group of finance ministers who begin their career in other posts. In the fourteen countries examined here, 78 ministers of finance or of economics occupied later another cabinet position. 28 of these were ministers who had begun their career as ministers of finance, but two-thirds of them (50) both began and ended their career in departments other than finance or economics, twenty of whom were drawn from three countries only - Britain, Ireland, and Italy.

The distribution of ex-ministers of finance who held cabinet positions later varies markedly across Western Europe. At one end of the scale, no Swedish and only one Austrian ex-minister of finance remained in or returned to the cabinet. At the other, two-thirds of the British and Italian ex-ministers of finance were part of subsequent cabinets. Half the ministers of finance were members of later cabinets in France, Norway, Ireland, and Iceland and a quarter to a third in Germany, Belgium, Denmark, the Netherlands, Luxembourg, and Finland.

An ex-minister of finance who returns to the cabinet is likely to be able to exercise some influence, at least in many cases, by virtue of this experience. This means that, conversely, the presence of an ex-minister of finance in a cabinet will tend to have a negative effect on the role of the current Treasury head, even if, as is no doubt sometimes the case, both ministers try to reduce this effect. Moreover, the situation is likely to be different when the cabinet has only occasionally an ex-minister of finance and when such an occurrence is almost continuous. In the first case, the ex-Treasury head is likely to regard this situation as exceptional and to exercise restraint. In the second case, a substantial and almost regular reduction of the autonomy of the minister of finance is likely to ensue. In this respect, variations are large across Western Europe. At one end of the scale, no ex-minister of finance has participated in a cabinet in

Sweden and only one in Austria (for a total period of five years). At the other, ex-ministers of finance were present in over twenty-five of the forty years in Britain, Ireland, and Italy. These three countries are also those in which one also finds the largest number of cases in which more than one ex-minister of finance was in the cabinet at the same time, a situation which is likely to reduce even further the influence of the current Treasury head.

One post which ex-ministers of finance often occupy is that of prime minister (and/or in Finland and Fifth Republic France of president of the Republic). Twenty-five of the Western European prime ministers were indeed drawn from among ex-ministers of finance. This number, although large, does not perhaps constitute as high a proportion as might have been expected, given the importance which the position of head of the Treasury is usually assumed to have. On average, only one in nine of the ministers of finance can hope to become prime ministers one day. Even in countries in which mobility from post to post is high among cabinet members, few ex-ministers of finance become prime ministers. Only two British ex-ministers of finance, H. Macmillan and J. Callaghan, became prime ministers; there were also only two in Ireland, J. Lynch and C. Haughey; perhaps even more surprisingly, there were only three in Italy, G. Pella, E. Colombo, and G. Andreotti. It is in Finland that the probability of becoming prime minister after having been minister of finance

is highest: four - or one in five - of the former Treasury heads of that country became heads of the government, one of these having also become president of the Republic (M. Koivisto).

Yet, if it is perhaps not the case that a position of minister of finance constitutes a springboard to the prime ministership, the influence of the head of the Treasury is likely to be reduced when this situation obtains. Conversely, the minister of finance is likely to be stronger where, as in particular in Sweden, no ex-minister of finance had ever contend with a prime minister - or indeed any other colleague having been head of the Treasury. Only Austria, the Netherlands (as far as the ministry of finance stricto sensu is concerned), and Luxembourg come close to achieving a similar record (indeed, in the case of the last of these countries the prime minister was also for many years either the finance or the economics minister. If one also notes that, as a result of the existence of a minister of economics in a number of countries, ministers of finance are confronted with colleagues whose approach is often different from theirs, partly because the aims of the two departments are different and partly because, in some cases at least, the two ministers belong to two distinct parties, the influence of ministers of finance is likely to be reduced, in many cases, as a result of the presence of other cabinet-holders who have experience in their field as well as seniority.

By and large, Britain, Ireland, and Italy are the countries which are likely to experience the greatest reduction in the influence of the current minister of finance as a result of the presence of ex-Treasury heads in the cabinet. But at least an occasional reduction of influence is likely to have occurred in every other Western European country except Sweden. Meanwhile, in Belgium, the Netherlands, Denmark, Iceland, and Luxembourg, as well as even in some periods in Germany, the existence of two distinct posts of finance and of economics must have contributed to some reduction of the role of the minister of finance within the cabinet.

Towards a typology of the influence of ministers of finance

The study of the careers of ministers of finance in Western European countries revealed substantial differences with respect to four characteristics likely to affect the influence of these ministers within the cabinet. First, some Treasury heads are better prepared for the job than others. While, overall, about half the ministers of finance could be regarded as specialists (more than the general population of cabinet members), specialisation was highest among Austrian, Dutch, French, and German Treasury heads and lowest among their Irish and Icelandic counterparts. This suggests that ministers of finance in the first group of countries are more likely to exercise influence, based on

their knowledge and previous experience, than ministers in the other two groups.

Second, there are appreciable variations in duration in the post, both from minister to minister and from country to country. This suggests that, in some cabinets, the Treasury head is likely to be able to win arguments more easily with his colleagues in view of his experience. In some countries, and in particular in Sweden, finance ministers remain in office longer than their colleagues, even though all ministers tend to be characterised in that country by a remarkable longevity. Without attempting to relate influence precisely to the extent of seniority of individual Treasury heads, ministers of finance appear likely to be more influential as a result in Sweden, the Federal Republic of Germany (as well as Luxembourg) than in countries where, at the other end of the scale, such as Britain, Ireland, Italy, and even more Finland, the duration of ministers of finance in office is short on average and where the proportion of the time during which an experienced minister of finance is in office is relatively small.

Third, ministers of finance who have had more than one job in the cabinet are only a small majority. Some had one or more jobs before becoming Treasury heads: in these countries, there tends to be a cursus honorum on the basis of which one reaches

only after some time the position of minister of finance. In Britain, Ireland, and Italy in particular, it is the norm for cabinet ministers to have first another cabinet post. Such a situation obtains to a lesser degree in other countries, such as Belgium, Denmark, Fifth Republic France, and Sweden, while it scarcely occurs in Austria, Germany, or the Netherlands. Whatever the origins of such a difference, it will tend to increase the influence of the ministers concerned, since they acquire experience of cabinet affairs before becoming heads of the Treasury. This situation characterises particularly Britain, Ireland, and Italy, as well as, to a lesser degree, Belgium, Denmark, France, and Sweden. In the case of the first three of these countries, this increased influence may compensate somewhat for the relatively shorter experience which most ministers of finance have as heads of the Treasury. In the case of Sweden, the influence of the ministers of finance is likely to be further enhanced.

Fourth, and conversely, the influence of ministers of finance is likely to be adversely affected because some of their predecessors return to the cabinet to run other departments. This situation occurs particularly in Britain, Ireland, and Italy, as well as to a more limited extent in Belgium, Denmark, and Finland; it never occurs in Sweden and rarely takes place in Austria, Germany, and the Netherlands. Ministers of finance in this last

group of countries can therefore be expected to have a freer hand, while those in the first have typically to wrestle with the possible comments of colleagues who were previously heads of the Treasury. This in turn probably diminishes somewhat the advantage which British, Irish, and Italian finance ministers have by being members of the cabinet before becoming ministers of finance.

A four-fold typology of influence can therefore be outlined on the basis of the analysis of these careers. At one extreme, Swedish and, but to a lesser extent, German and Luxemburgese finance ministers are likely to be the most influential of all. They remain in office for long periods. In Sweden, they are likely to have been in the cabinet before, while in Germany they have a specialist background. They are never in Sweden, and rarely in Germany, overshadowed in the cabinet by previous ministers of finance. At the other end of the range is Finland, where ministers of finance appear to be relatively weak, as they are transient, are not particularly specialised, rarely had a previous cabinet job before becoming Treasury heads, and have relatively frequently to contend with previous finance ministers present in the cabinet.

Most countries are located between these two extremes and cluster around two main types. One is primarily represented by Austria and the Netherlands, where ministers are highly

specialised, stay in office for substantial, but not very long periods, tend to have only one cabinet post, but are rarely if ever overshadowed by an ex-minister of finance. They are therefore probably, on the whole, rather influential, though not as strong as their opposite numbers in Sweden or Germany. Fifth Republic France and Norway come close to being in this category, but with variations which tend to reduce somewhat the influence of their ministers of finance. Iceland, too, is somewhat similar, but the small size of the cabinet in that country makes it difficult to draw definite conclusions.

The other intermediate model characterises primarily Britain, Ireland, and Italy, where the level of specialisation of finance ministers is average or below average, where the duration in office of ministers of finance is relatively short, where a cursus honorum exists, as a result of which Treasury heads come to their job with some cabinet experience, but where the current minister of finance has almost always to count with the presence of a colleague who previously held the job, this colleague being in some cases the prime minister. In the main ministers of finance in these countries are likely to be somewhat less influential than their Austrian or Dutch counterparts. Belgium and Denmark are close to this category, though ministers of finance in these countries are likely to have even less influence in part because

fewer among them had previous cabinet experience before joining the Treasury.

The careers of ministers of finance in Western Europe are thus varied, not just on an individual basis, not even on a country basis, but on the basis of broader tendencies which relate these careers to what can be regarded as different characteristics of cabinet government, whether these are the result of a deliberate choice or have come about accidentally. One can thus relate these career patterns to the broad distinction between the more 'parliamentary' types of cabinet structures, which are characteristic of Britain, Ireland, Italy, or Belgium, on the one hand, and the more 'managerial' forms, such as those which can be found in Austria, Fifth Republic France, or the Netherlands. But the careers of ministers of finance have also special features, as is shown by the cases of Sweden or Germany at one extreme and of Finland, at the other. The very 'orderly' form of cabinet government which characterises Sweden reaches its extreme form in the case of the minister of finance's position, while the somewhat unstable nature of Finnish cabinet politics is reflected particularly at the level of the Treasury post. In the German case, the higher level of specialisation of Treasury heads, in both the finance and economics positions, probably sets a tone which

helps to give those who run these departments a prestige and an influence which, as in Sweden, goes beyond that of other ministers. Thus the career of minister of finance reveals special characteristics of cabinet government among Western European countries, while reinforcing some of the trends which can be identified by examining in general cabinet positions. A scrutiny of some of the other 'top' cabinet posts may reveal further characteristics and contribute to a fuller understanding of the behavioural patterns of Western European governments.



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A Special Career?**

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